DATE / July 63

CONTACT REPORT

BRANCH: FOB/SOV/COL		PROJECT: Cafe Emil Schwab in
CASE OFFICER PSEUDO:	⊃ ··	MEETING PLACE: Salzgitter-Staterburg
Case officer alias:	コ	DATE OF MEETING: 23 Jan 63
AGENT CRYPT: AEABYSS/1		TIME OF MEETING: 2000 hours to 2400
agent alias:	*****	DATE OF INFO:
PURPOSE OF MEETING:	<u> </u>	DATE OF REPORT: 25 Jan 63
To brief AEABYSS/1 prior to	his return to Sala	vat.
(To brief AEABYSS/1 prior to	nis return to Sala	· · · · · · · · · · · · · · · · · · ·

1. COMMO ARRANGEMENTS: Per prior arrangements and telephone conversation with C 3 on 22 Jan 63. NEXT MEETING in June or July when AE/1 is expected home for 4 weeks of summer vacation. C I as usual, will advise us of AE/1's return.

2. SUBSTANCE:

See EGFA

Met [] at Gewandhaus Restaurant in Braunschweig at 1830 hrs. During dinner with him I obtained additional blographic information on AE/1; PRO'S I and II can now be completed and will be forwarded to Headquarters for processing of an OA on AE/1. Following dinner we proceeded in [] car to Salzgitter-Steterburg where AE/1 was waiting at the fafe Schwab (no relation to g/o!). The cafe is located around the corner from AE/1's residence. He gave no explanation why he chose the cafe as meeting site, but I assume he did so to keep his wife from becoming involved. — Early in the conversation AE/1 mentione an incident which he thought would interest us. He said he had been invited recently to the home of Dipl.Ing. NATHO with the explanation that he (Natho) was interested in getting a run down from AE/1 on his experiences in the USSR. Natho, fnu is "aide-de-camp" of Dr. Ende, the chairman of the board of directors of the Salzgitter combine. At one point during the evening discussion and in the presence of Mrs. AEABNSS/1 and Natho's wife, Natho asked whether AE/1 was in contact with the Americans. AE/1 said Natho's question came suddenly and was irrelevant to the conversation at hand, almost as if Natho had intended a surprise maneuver in expectation of catching AE/1 off balance. AE/1 expressed surprise at the question and calmly denied knowing any American. Natho did not persue the 3. NEW BIOGRAPHIC DATA:

see EGFA with PRQ I and II attached

4. ATTITUDE, MORALE, AND PERFORMANCE:

no change. His willingness to cooperate with us remains undeterred by the experience he had with NATHO.

- 5. FINANCE AND SUPPORT:
 - None, but minor expenses incurred in the meeting site
- 6. COMMITMENTS:

None made

7. SECURITY:

Nothing to report

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8. ADDITIONAL REMARKS AND COMMENTS:

matter further. We then discussed several possibilities which could have prompted Natho to ask the question. AE/1 went along with my speculation concerning the incident, namely that our approach to ightharpoonup and the latter's revelation thereof to Dr. Leithe (who in turn may have kicked it up to Dr. Ende's office) may have induced Natho to attempt to learn whether other employees of SID are being approached by AIS. He, AE/1, could - in the eyes of Natho - be just the type in whom the Americans could conceivably be interested in all Although the incident left AE/I unperturbed, it should serve as a warning signal to and L _] (dealing with C I that some curiosity within the Salzgitter. firm concerning AIS interest in their personnel exists, and that a similar inquiry may be made of CJ upon his return from Salavat. It may therefore seem appropriate to forewarm CJ of such a possibility. (NATHO is not listed in the Braunschweig or Salzgitter telephone directory. There are no KRCB and Station traces. Hq and Services will be traced). Some time was spent briefing AE/1 on the requirements submitted by Headquarters in DIR-12099 and EGFW-11.780 (Guide for Western Specialists installing industrial equipment in the USSR). Latter guide is rather involved and no attempt was made to debrief AE/1 at this time. He agreed to a full debriefing when he returns to dermany in June or July and consented to meet with us for a two or three day session in or near Frankfurt. AE/1 leaves Brainscweig for Moscov on 26 Jan. He will travel by train, taking with him ca. 30 crates of various spare parts and tools needed at the erection site. On Twesday, 29 Jan, he will leave Moscow, again travelling by train, for Salavat. On Monday, 28 Jan, he plane to call and meet from GERSHOVICH (see EGFA-36122). As presents for derahovich AE/1 will take along some tapes containing waltz-and jazz

music for the Telefunken tape recorder which SIO has presented to Gershovich in 1962. Should Ar/1 fail to meet Gershovich he will make another attempt contacting him when returning to Germany. AE/I fully understands the underlying purpose of meeting the Soviet and is quite willing to undertake the assessment mission. He has been unlefed on the type of bic and personality information desired, also on various techniques he might employ in attempts to draw out the Soviet.

(Headquarters traces on Gershovich, incl. information on the office employing him - GIPROGASTROPPROM, Moscow, Telephone 3-3-00-02 62 will be requested) My offer for DM 100 to cover expenses for the tapes was turned down by AE/1 with the explanation that these expenses may be covered by SIG. If not, he would settle with me later. Possibly he dis not wish to commit himself to a meeting with Gershovich and therefore refused our offer.

At about 2000 Mrs. AEABYSS/I appeared at the cafe to fetch her husband. She stayed for a qup of tea, casual conversation, then meet broke off, c/o returning to Braunschweig by cab.